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NEWS RELEASE

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SACRAMENTO MAN PLEADS GUILTY TO ATTEMPTING TO SHUT DOWN CALIFORNIA'S POWER GRID

SACRAMENTO – United States Attorney McGregor W. Scott announced today that LONNIE CHARLES DENISON, 33, of South Natomas, pleaded guilty today before United States District Judge Garland E. Burrell, Jr., to damaging an energy facility, a federal felony.

This case is the product of an investigation by the Federal Bureau of Investigation's Joint Terrorism Task Force, which is comprised of the Federal Bureau of Investigation and numerous federal, state and local law enforcement agencies.

According to Assistant United States Attorney Kyle Reardon, who prosecuted the case, DENISON was a contract employee responsible for managing various computer applications at the California Independent System Operator Corporation (CAL-ISO) facility located in Folsom, California. California Independent Systems Operator Corporation is a not-for-profit public benefit corporation charged with operating the majority of California's high voltage wholesale power grid.

According to court documents, on April 15, 2007, at 11:15 pm, DENISON entered the CAL-ISO building and attempted to log on to his computer. However, these attempts were unsuccessful since his privileges to the computer system had been recently suspended. DENISON then went into a room at the CAL-ISO facility containing computers used to communicate with the electricity market. The electricity

market consists of power generating facilities that work together to ensure electricity needs are met for the western United States. Within this room was an “Emergency Power Off” button that could be used in the event of a fire or other calamitous system failure. The defendant broke the glass cover and without justification, pushed the “Emergency Power Off” button, thereby shutting down the computers in the room. DENISON then returned to his home in South Natomas. Early the next morning, the defendant spoke with a longtime friend, admitting he had “done something bad,” had pressed the “Emergency Shut Off,” and had tried to “shut off the power grid.”

The resulting disruption prevented CAL-ISO from communicating to the electricity market for approximately two hours, thus leaving the electrical power grid vulnerable to shortages. As a result of the rapid response of officials at CAL-ISO to stabilize the computer systems and reconnect to the energy market through back-up systems located elsewhere in the State, no disruptions in the flow of electrical power in fact occurred.

DENISON is scheduled to be sentenced by Judge Burrell on February 29, 2008, at 9:00 am. The maximum statutory penalty for damaging an energy facility is five years imprisonment, a \$250,000 fine, or both imprisonment and a fine, and a three year term of supervised release. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.

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